



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

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# Final Fiscal Note

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**Drafting Number:** LLS 22-1032      **Date:** September 13, 2022  
**Prime Sponsors:** Sen. Fenberg; Holbert      **Bill Status:** Signed into Law  
Rep. Kennedy; Larson      **Fiscal Analyst:** Annie Scott | 303-866-5851  
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**Bill Topic:**      **BALLOT MEASURE CAMPAIGN FINANCE**

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill makes certain changes to laws governing issue committees and contribution limits under the Fair Campaign Practices Act. The bill increases state expenditures in the current FY 2021-22 and FY 2022-23 only.

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**Appropriation Summary:** For the current FY 2021-22, the bill requires and includes an appropriation of \$30,000 to the Department of State, and for FY 2022-23, an appropriation of \$14,309 to the Department of State.

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**Fiscal Note Status:** The fiscal note reflects the enacted bill.

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**Table 1**  
**State Fiscal Impacts Under SB 22-237**

		<b>Current Year FY 2021-22</b>	<b>Budget Year FY 2022-23</b>	<b>Out Year FY 2023-24</b>
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	Cash Fund	\$30,000	\$14,309	-
	Centrally Appropriated	-	\$4,287	-
	<b>Total Expenditures</b>	<b>\$30,000</b>	<b>\$18,596</b>	-
	<b>Total FTE</b>	-	<b>0.3 FTE</b>	-
<b>Transfers</b>		-	-	-
<b>Other Budget Impacts</b>		-	-	-

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## Summary of Legislation

The bill makes certain changes to laws governing issue committees and contribution limits under the Fair Campaign Practices Act. Specifically, this bill:

- modifies the definitions used to determine if an organization has acted as an issue committee and made financial contributions in support or opposition of a ballot issue, which must then be disclosed to the Secretary of State;
- expands the definition of “earmark” to include an independent expenditure that supports or opposes a candidate, is used for electioneering communication, or is an expenditure greater than \$1,000; and
- requires individuals with ballot issue expenditures totaling \$5,000 in a calendar year to report to the Secretary of State within 48 hours any additional ballot issue expenditures of \$1,000 or more.

## State Expenditures

The bill increases state expenditures in the Department of State by \$30,000 in the current FY 2021-22 and \$18,596 in FY 2022-23 from the Department of State Cash Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under SB 22-237**

	FY 2021-22	FY 2022-23
<b>Department of State</b>		
Personal Services	-	\$14,309
TRACER Development	\$30,000	-
Centrally Appropriated Costs <sup>1</sup>	-	\$4,287
<b>Total Cost</b>	<b>\$30,000</b>	<b>\$18,596</b>
<b>Total FTE</b>	<b>-</b>	<b>0.3 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of State.** The Secretary of State in the Department of State requires contractor time to update its campaign finance system (TRACER) to include reporting capabilities for certain ballot issue expenditures. The Secretary of State will require this appropriation in the current FY 2021-22 to allow the functionality to be available for the November 2022 election. In FY 2022-23 only, the Secretary of State requires 0.3 FTE to respond to an increased volume of questions and campaign finance complaints. These costs are paid from the Department of State Cash Fund.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

## **Effective Date**

This bill was signed into law by the Governor and took effect on June 7, 2022, except that Section 2 of the bill took effect September 1, 2022.

## **State Appropriations**

The bill requires and includes the following appropriations from the Department of State Cash Fund to the Department of State:

- \$30,000 for the current FY 2021-22; and
- \$14,309 and 0.3 FTE for FY 2022-23.

## **State and Local Government Contacts**

Information Technology

Secretary of State